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Dot-com hysteria produces reason in end

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When the Internet pendulum swings, it swings to excess.

Just a year ago, investors were eager to get rich quick by throwing their cash at anybody with a Web domain. Business fundamentals? We don't need fundamentals, they'd say — don't bore me with such retro talk.

Now the pendulum has swung the other way. It's over, people proclaim. The Internet was but a fad — hey, it's just like what happened to CB radio. Now that people have tired of it, the implication is: Let's move on.

The market is in a chill, and talk of a recession is in the air. Investors are whining that it is the fault of the tech stocks. They seem angry that companies that had no business plan, profits, management or sanity are collapsing. Well, why did they invest in the first place?

It makes for great entertainment. And you can watch from the sidelines — browse through sites such as UpsideToday (**www.upside.com/graveyard/index.html**) or DotComFailures (**www.dotcomfailures.com/**) to keep on top of the cyberdoom.

But what if you want to get a real sense of what is going on? Is e-biz dead? Well, no; it is actually alive and quite well.

Spend some time working your way through the listings at eJigsaw (**www.ejigsaw.com**) to get a sense of what is really going on. While dot-com hysteria enters its flame-out phase, plenty of companies have developed sophisticated e-biz software that fits into tens of thousands of business scenarios.

You might find some dot-com wreckage in the site, but what on our inexorable march to an economy that is wired together.

As this column has maintained, the Internet is a voyage that will take some years to unfold. The serious software and e-biz infrastructure you find at a site like eJigsaw isn't the type of instant, superficial stuff that fuelled the madness of the past year.

Much of what you will find here — and throughout many Canadian companies heavily involved in developing such tools — are projects that help corporations take advantage of the connectivity that the Internet offers.

It's real stuff. Through gut feel and direct observation, I sense that in many organizations, senior management has finally woken up to e-biz, and is now actively involved in on-line strategy. Of course, serious strategy turns into serious spending — and there are signs that large scale projects are finally under way.

Case in point: "Customer relationship management" (CRM) has finally become significant, with complicated projects that require a lot of time and effort.

And it's not small change. Major companies involved in a serious CRM project can end up spending many millions of dollars. Besides the cost of the software, there's a required investment in technology infrastructure: the servers; the Internet connectivity; the operations department that can monitor the system 24 hours a day, seven days a week.

Such projects require a crushing time investment, up front and throughout the life of the project, by people both inside and outside the company.

The result? Big spending, lots of new jobs, massive change to the way that business is conducted. And something that will take years to build, implement and support.

Sure, we might have a bit of a chill in the air, but I can see the signs of spring all around.

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